



2017 STATE LEGISLATIVE PROGRAM

The California Transit Association's 2017 State Legislative Program is an integral part of making our vision a reality, and is part and parcel of our mission to further the interests of public transportation as defined in our Strategic Plan.

Vision Statement

This statement contains our long-range vision for the transit industry and portrays the desired future the Association seeks to achieve. Our Association's vision is to have:

“Fully funded, efficient, and effective public transit systems operating in a balanced transportation network.”

Mission Statement

To attain that vision we carry out our mission to:

“Support the needs of California’s public transit systems through advocacy and education.”

Advocacy

The goal of the advocacy effort contained in our Strategic Plan is to:

“Influence state and federal decision makers to enact policies and funding solutions supporting, expanding, developing and advancing public transit.”

The objectives of our advocacy effort are aimed at:

- Ensuring that existing transit funds are protected.
- Securing new funds for transit.
- Pursuing laws and regulations that support transit and defeating those that impede transit's ability to meet the public's mobility needs.
- Using public and private partnerships to successfully influence favorable policy outcomes.
- Enhancing public awareness of transit and its daily positive impact on the lives of all Californians.

2017 STATE LEGISLATIVE PROGRAM – SUMMARY OF NEW / ACTION ITEMS

The following summarizes the highest priority policy goals the California Transit Association will pursue in 2017, including sponsored legislation we will seek.

- **Transportation / Transit Funding:** Advocate for a comprehensive state transportation funding solution, providing funding to all modes, including highways, roads, commuter & intercity passenger rail, and transit capital & operations.
- **Long-Term State Transit Assistance Program Fix:** Through the work of the Association's STA task force, develop and pursue a long-term STA fix that would ensure the long-standing methodology for calculating STA shares will continue beyond 2017-18.
- **Cap and Trade Cleanup:** Monitor the development of new disadvantaged community-benefit requirements for the Cap and Trade program and seek flexibility for transit agencies throughout the development process.
- **Zero Emission Bus Procurements:** Ensure a positive outcome for transit in the California Air Resources Board's (ARB) proposed Advanced Clean Transit regulation. Oppose any ZEB purchase mandate that would place undue burden on transit agencies, and support new sources of funding and statutory and/or regulatory changes to incentivize the adoption of zero and near-zero emission transit buses. Support the dedicated appropriations of Cap and Trade funds to the Low Carbon Transportation program for zero and near-zero emission transit buses.
- **Transit Enforcement:** Safeguard existing transit enforcement mechanisms, explore options to increase operator safety, and pursue options to incentivize transit agencies to use an administrative process to cite violators.
- **Bus on Shoulder Expansion:** Define and seek as appropriate an expansion of the existing, very limited bus on shoulder statutory authorization granted to Monterey-Salinas Transit District and Santa Cruz Metropolitan Transit District by AB 946 (Stone) [Chapter 426, Statutes of 2013].
- **Pension Reform:** Monitor and respond as appropriate to state and federal efforts regarding pension reform, including pending legal review relative to PEPRA/13(c).
- **FAST Act Implementation:** Support legislation and administrative strategies to implement the FAST Act in a way that ensures the best possible outcome for transit operators in California.
- **CEQA Reform:** Support efforts to include transit projects in CEQA reform measures.
- **Rail Modernization:** Support the state's rail modernization efforts.

2017 STATE LEGISLATIVE PROGRAM – ALL ACTION ITEMS

The following summarizes all policy goals the California Transit Association will actively pursue in 2017, whether through sponsoring legislation or in supporting the work of other groups. These are a mix of our existing goals and new items added for 2017.

OBJECTIVE 1: Existing Transit Funds are Protected

A. Protect existing State transit funds, including TDA, PTA, TCRP, Propositions 1A & 1B, and Cap and Trade revenues for transit, from being eliminated, terminated, shifted or otherwise used for non-transit purposes, without specific repayment terms, and restore or obtain repayment of all previous loans or shifts of transit funds, plus interest.

The Association will continue to take all actions necessary and appropriate in support of protecting against diversions from the Public Transportation Account (PTA). In 2010, the “gas tax swap” package of bills, ABX8 6 and ABX8 9 (Committee on Budget) [Chapters 11 and 12, Statutes of 2010] diverted \$1.586 billion in state funding for public transportation in FY 10-11 from the four historic sources of funding: spillover, Proposition 42, sales tax on diesel, and Proposition 111. Prospectively, only the sales tax on diesel is retained, and this source was enhanced through the second gas tax swap of 2011, as contained in AB 105 (Committee on Budget) [Chapter 6, Statutes of 2011]. This represents the last remaining source of reliable state funding for public transportation.

The Association will advocate for maintenance of transit funding in the FY 2017-18 State Budget at levels prescribed in Proposition 22 and the 2011 gas tax swap, and explore all necessary actions for further protecting existing transit funds. The Association will partner with local government, the environmental community, and other interested transportation stakeholders, among others, and form coalitions advocating for protection of transit funding.

B. Through the work of the Association’s STA task force, develop and pursue a long-term STA fix that would ensure the long-standing methodology for calculating STA shares will continue beyond 2017-18.

In Fiscal Year 2015-2016, the State Controller implemented new calculation and allocation methodologies for the STA program, suddenly changing the way these vital funds are distributed. These STA grant funds – which are allocated to regions by the State Controller, for sub-allocation to each region’s transit operators, based on a long-understood formula that matches dollars to areas with half in proportion to each area’s population compared to the state and half in proportion to a calculation of each transit operator’s “revenue” compared to the statewide total – are vital to the ongoing operations and capital projects of about 145 public transit systems statewide.

Towards that end, and recognizing that many transit operators budgeted for 2015-16, and even for the 2016-17 year, based on a longstanding understanding of how the program works – the Association acted to advocate that the Legislature use the 2016-17 Budget Act to compel the State Controller to use the long-understood methodology, as reflected in the 2014-15 fourth quarter published allocations, for any remaining unallocated funds in the 2015-16 year (quarters three and four), and, for all funds to be allocated in 2016-17 and 2017-18. These changes were made law by SB 838 (Committee on Budget and Fiscal Review) [Chapter 339, Statutes of 2016].

In parallel, the Association convened interested stakeholders – forming the STA Task Force – to develop a long-term policy proposal for the Legislature’s subsequent consideration and enactment, clarifying any ambiguities in the existing law and setting the rules more clearly going forward.

The Association will pursue a long-term policy proposal for the Legislature’s subsequent consideration and enactment, clarifying any ambiguities in the existing law governing the STA program.

C. Preserve the relative share of Cap and Trade revenues for public transit established in 2014 legislation.

In 2011 California’s Air Resources Board (ARB) adopted a Cap and Trade regulation, expected to help California achieve the goals of AB 32 (Nunez and Pavley) [Chapter 488, Statutes of 2006] – the California Global Warming Solutions Act of 2006) – which include reducing the greenhouse gas emissions that contribute to climate change. The Cap and Trade program sets a limit on the total greenhouse gas (GHG) emissions that can be emitted by specific sources within the state; those emitters that anticipate exceeding their cap must purchase additional allowances through this market-based system. The ARB conducts auctions for these allowances, and the revenue generated is available for appropriation by the Legislature.

In 2014, the Legislature approved SB 862 (Committee on Budget and Fiscal Review) [Chapter 36, Statutes of 2014] which established long-term funding programs from the Cap and Trade program for transit and sustainable communities & affordable housing, as well as for high-speed rail. This dedicated 60 percent of future revenues for transportation-related programs on a continuously appropriated basis.

Beginning in FY 2015-16, 60 percent of Cap and Trade revenues will be dedicated as follows:

- 5 percent for the Low-Carbon Transit Operations Program;
- 10 percent for the Transit and Intercity Rail Capital Program;
- 20 percent for the Affordable Housing and Sustainable Communities (AHSC) Program;
- 25 percent for high-speed rail.

The remaining 40 percent is available for appropriation by the Legislature and the Administration in each fiscal year.

The Association will work to protect existing long-term Cap and Trade revenue allocated to transit through the Low-Carbon Transit Operations Program, the Transit and Intercity Rail Capital Program, ensure more funding from the Affordable Housing and Sustainable Communities Program flows to transit, and support continued appropriations of Cap and Trade funds to the Low Carbon Transportation program to be used for transit. The Association also supports the explicit extension of the Cap and Trade program, beyond 2020, to ensure the state meets the 2030 targets established by SB 32 (Pavley) [Chapter 249, Statutes of 2016]

OBJECTIVE 2: New Transit Funds are Secured

A. Advocate for additional, more flexible state transit funding.

On June 16, 2015, Governor Brown called for the Legislature to convene a special session to immediately address the state’s transportation infrastructure needs, and proposed the Legislature “enact pay-as-you-go, permanent and sustainable funding to: adequately and responsibly maintain and repair the state’s transportation and critical infrastructure; improve the state’s key trade corridors; and complement local infrastructure efforts.” The Governor further proposed that the Legislature enact legislation necessary to: “establish clear performance objectives measured by the percentage of pavement, bridges, and culverts in good conditions; and incorporate project development efficiencies to expedite project delivery or reduce project costs.” The Legislature responded by convening Extraordinary Session 1 on June 19, 2015.

The Association seized the opportunity created by the special session to try and refocus the discussion from one strictly limited to new revenues for highways and streets & roads, to one that includes all modes. As part

of our mission to find more state funding for transit, the Association put forth a number of proposals for consideration by the Legislature, which could generate additional revenue for transit agencies. Mainly, we proposed: increasing the rate of sales tax on diesel fuel, which would increase the amount of funding in the State Transit Assistance program; increasing the share of the statewide sales tax that flows through the Transportation Development Act to Local Transportation Funds; and, increasing the share of Cap and Trade revenues flowing to transit programs.

Initially, with the help of the Association, four bills were introduced in the special session, ABX1 8 (Bloom and Chiu) & SBX1 7 (Allen), which would triple the incremental sales tax rate on diesel fuel, increasing the amount of revenue flowing to the State Transit Assistance program, and ABX1 7 (Nazarian) & SBX1 8 (Hill), which would direct an additional 15 percent of the total Cap and Trade program to public transit. Subsequently, elements of these bills begin to surface in the broader transportation funding packages, including AB 1591 (Frazier), SBX1 1 (Beall), and ABX1 26 (Frazier). The latter two bills represent the work of both transportation committee chairs to develop a comprehensive proposal for consideration in each house of the Legislature and each includes the transit funding language originally proposed in the special session bills listed above.

However, in FY 2015-16, the State Transit Assistance program, as well as the Cap and Trade program, saw a sharp decline in the amount of available revenue. This downturn in funding led the Association to additionally urge the Legislature to double the statewide sales tax flowing to the Transportation Development Act. Specifically, the Association is advocating that the Legislature consider an alternative to double the quarter-cent statewide sales tax, raising the total flowing to counties for transit and other purposes to .5 percent, generating approximately \$1.5 billion new revenue.

The Association will advocate: for new, sustainable funding for transit agencies; that any new state solution achieving additional revenues for highways and local streets & roads should provide flexibility for projects to benefit transit service (such as complete streets and active transportation); and, that new funding programs include transit as an eligible expenditure (such as from the road-user charge and expansion of high-occupancy tolling). The Association will continue to be a resource to the Legislature and advocate for additional revenues for transit.

B. Support new local government funding options to support transit and infrastructure near transit.

With the state's regions working to implement SB 375 (Steinberg) and the recent dissolution of redevelopment agencies, local governments continue to seek methods of financing new infrastructure around transit. During the 2013-14 Legislative Session, SB 628 (Beall) [Chapter 785, Statutes of 2014] was signed into law creating "enhanced" Infrastructure Financing Districts, which can be formed to fund transit projects. SB 628 (Beall) is not a silver bullet, but it is a step in the right direction towards providing more creative financing options for transit agencies. The Association has also supported efforts to lower the vote-threshold for local sales tax measures geared toward transportation. The most recent effort, ACA 4 (Frazier), was supported by the Association.

The Association supports new local funding tools enabling local governments to maintain and expand transit service and promote infrastructure, including affordable housing, near public transit. Additionally, the Association will form a working group to explore mechanisms, which could be implemented locally, to fund public transit operations and capital, and transit-oriented development.

OBJECTIVE 3: Laws and Regulations That Support Transit are Enacted and Those That Impede Transit's Ability to Meet the Public's Mobility Needs are Defeated

A. Monitor the development of new disadvantaged community-benefit requirements for the Cap and Trade program and seek flexibility for transit agencies throughout the development process, specifically within the Low Carbon Transit Operations Program, as well as other positive program outcomes for transit agencies.

As enacted in SB 862 (Committee on Budget and Fiscal Review), the LCTOP is subject to a disadvantaged community requirement of 50 percent per operator. Specifically, Section 75230 of the Public Resources Code requires that “for transit agencies whose service areas include disadvantaged communities...at least 50 percent of the total moneys received pursuant to this chapter shall be expended on projects or services that...benefit disadvantaged communities.” This results in certain transit agencies, with a small number of disadvantaged communities (in some cases one or two census tracts), being required to spend at least half of their funding to benefit those areas. The requirement continues year after year and will ultimately result in overinvesting in certain areas at the expense of good GHG-reducing transit projects. In 2016, the Governor signed AB 1550 (Gomez) [Chapter 369, Statutes of 2016] which expands on the disadvantaged community requirements established in SB 535 (de Leon) [Chapter 830, Statutes of 2012] and now requires that 25 percent of all Cap and Trade revenues be spent within disadvantaged communities (as identified by the CalEnviorScreen tool) and that 10 percent be spent on low-income households and communities. AB 1550 (Gomez) will likely cause Caltrans, the California Environmental Protection Agency, and the Air Resources Board to update the disadvantaged community guidelines for all programs, including the LCTOP.

The Association will monitor the development of new disadvantaged community-benefit requirements for the Cap and Trade program and seek flexibility for transit agencies throughout the development process.

B. Ensure a positive outcome for transit in the California Air Resources Board’s (ARB) proposed Advanced Clean Transit regulation, oppose any ZEB purchase mandate that would place undue burden on transit agencies, and seek new sources of funding to incentivize the adoption of ZEB technology.

Member agencies continue to have concerns with the California Air Resources Board’s (ARB) Advanced Clean Transit (ACT) regulation, which was designed to further reduce emissions from transit fleet vehicles and urban buses, and incite the widespread commercialization of zero-emission bus (ZEB) technology.

The ACT regulation under consideration now builds on the Transit Fleet Rule adopted by ARB in 2000, which sought to reduce PM and NOx emissions from transit fleet vehicles and urban buses by instituting a 15-percent ZEB purchase and/or lease requirement for large transit agencies. Affected agencies were those that have or were expected to have 200 or more buses over the life of the regulation. Due to significant concerns regarding its feasibility – raised largely by the Association’s ZEB Task Force – the requirement was delayed by CARB in July 2009.

While the specifics of the ACT regulation have not yet been finalized, ARB staff presented their proposed framework for the regulation at public workshops in May 2015. The ACT regulation, as proposed, is based on four broad elements:

- Require Zero Emission Bus Purchases – Mandate a fraction of bus purchases to be ZEB technology beginning 2018. This purchase requirement would increase over time, with the goal of transitioning all transit fleets to ZEB technology by 2040.
- Minimize Emissions from Conventional Fleet – Require transit operators to purchase the cleanest available technology at the time of replacement, and to use renewable fuels, as soon as feasible.
- Provide Regional Flexibility for ZEBs – Allow fleets within a region the option to pool requirements and work together to achieve a ZEB fleet.
- Innovate Transit Beyond Buses – Allow for transit operators to work with MPOs to develop and implement plans for increased efficiencies through the use of innovative transit technologies beyond conventional transit operations.

Originally, ARB staff intended to release the language of an initial draft regulation in late 2015, and was expected to present an amended regulatory proposal for the Board’s consideration in Summer/Fall 2016. However, as a result of the Association’s advocacy efforts throughout 2015 and 2016, which included the

development of an alternative performance-based and technology neutral framework, ARB agreed to revisit the framework and timeline of the ACT regulation, and to seek more formal input from transit agencies. Collaboration between the ARB, transit agencies and various other stakeholders is now ongoing in the form of the ACT Workgroup and the Transit Agency Subcommittee. ARB staff now intends to present a regulatory proposal for the Board's consideration in fall 2017.

In 2016, the California Public Utilities Commission (CPUC) began proceedings to develop a regulation (Rulemaking 13-11-007) aimed at furthering the goals of SB 350 (de Leon) [Chapter 547, Statutes of 2015] by removing barriers to transportation electrification in the state. The Association, consistent with its 2016 State Legislative Program, joined these proceedings and, in May 2016, submitted a series of recommendations to the CPUC designed to advance a cost-effective transition to zero-emission buses. The Association's recommendations commended the CPUC to: offer a "categorical exemption from, or significant reduction of, demand charges"; and, provide additional resources to load-shifting technologies, which allow for a more efficient use of grid resources and the cost-competitive use of electricity as a transportation fuel. Additionally, the Association's comments pushed back on assertions made by investor-owned utilities, which requested that the CPUC entertain only a limited case-by-case waiver system for demand charges. The proceedings for this regulation are still pending, with direction expected to be provided by the state's investor-owned utility companies (IOU) and the CPUC in the form of "Transportation Electrification" applications by January 20, 2017.

The Association will continue to work through the ACT Workgroup, the Transit Agency Subcommittee and its internal ZEB Task Force to actively engage ARB in the development of an ACT regulation that is based on accurate and detailed cost assumptions, and a rigorous cost-benefit analysis. Additionally, the Association will continue to advocate for its preferred performance-based and technology neutral approach to incentivizing the adoption of ZEB technology, and for new funding to offset the costs of advanced technologies.

Finally, the Association will continue to monitor the CPUC's proceedings on transportation electrification and pursue, as necessary, complementary statutory and/or regulatory changes related to the procurement of electricity by transit systems in order to make the implementation of ZEB technology more cost-effective.

C. Safeguard existing transit enforcement mechanisms, explore options to increase operator safety, and pursue options to incentivize transit agencies to use an administrative process to cite violators.

In 2016, the Association saw the passage of SB 882 (Hertzberg) [Chapter 167, Statutes of 2016], which eliminated a transit agency's ability to cite minors for fare evasion violations under Penal Code Section 640. As a result of this bill, transit agency's must now utilize an administrative process for citing minors for fare evasion. Currently in California, only two transit systems use an administrative process, as allowed under Public Utilities Code Section 99580. Most agencies believe the costs for administering an administrative process are too great to bear and current law does not allow a transit agency to capture the fines and penalties associated with administrative violations, instead requiring the funds to be transferred to a county's general fund.

Additionally, transit agencies across the state are exploring ways to increase operator safety and keep violent offenders away from transit systems. In 2015, SB 391 (Huff) attempted to increase penalties for assaulting a transit employee, but was never heard in the Senate Public Safety Committee due to concerns surrounding enhanced penalties and requiring jail time for offenders assaulting transit employees. The problem still persists and future legislation may be needed, perhaps in partnership with transit employee unions.

The Association will oppose legislation that would further weaken transit agencies' enforcement capabilities, and form a working group to explore statutory changes that would increase operator safety and incentivize the use of an administrative process.

D. Define and seek as appropriate an expansion of the existing, very limited bus on shoulder statutory authorization.

AB 946 (Stone) authorized Monterey-Salinas Transit District (MST) and Santa Cruz Metropolitan Transit District (METRO), in consultation with the Department of Transportation (Caltrans) and the California Highway Patrol (CHP), to designate the shoulders of certain highways and freeways as transit bus-only corridors (commonly referred to as BOS programs). BOS programs minimize congestion-related interruptions of bus schedules, and improve travel times for buses relative to automobiles in a manner that is low-cost and easy to implement. Other agencies have expressed an interest in implementing a similar program in their respective jurisdictions.

In 2016, the Santa Clara Valley Transportation Authority sponsored AB 1746 (Stone), which would have expanded the authorization provided to MST and METRO to itself and seven other transit agencies in the state. Due to opposition from various stakeholder groups who argued that the bill would jeopardize the safety of California Highway Patrolmen and Caltrans workers, the bill failed passage in the Legislature.

The Association will work with other interested transit and regional agencies through the existing Bus on Shoulder working group to define their commitment to moving legislation expanding the program; through this group process we hope to define and seek as appropriate an expansion of the existing, very limited bus on shoulder statutory authorization granted by AB 946 that acknowledges and addresses the concerns raised against AB 1746.

E. Monitor state implementation of pension reform laws.

On September 12, 2012, the Governor signed the Public Employees' Pension Reform Act of 2013 (PEPRA) [Chapter 296, Statutes of 2012]. Subsequently, the United States Department of Labor (USDOL) began reviewing Federal Transit Administration (FTA) grants of California transit agencies based on objections raised by transit labor unions (the Amalgamated Transit Union (ATU), United Transportation Union (UTU) and the Teamsters) that the recently-enacted PEPRA in California violates the 13(c) provisions of federal transit law. In their review, the USDOL determined that PEPRA: constitutes a change in legal or factual circumstances that may materially affect the rights or interests of employees represented by the ATU; appears to have removed mandatory and/or traditional subjects of collective bargaining from the consideration of the parties; and, may prevent transit operators in the state of California from continuing the collective bargaining rights of employees, as required by Section 13(c)(2) of the Federal Transit Act.

As a result of this determination, all transit agencies in the state of California with workers represented by the ATU, UTU and Teamsters were subject to having billions of dollars in federal capital and/or operating funding withheld because of the implementation of PEPRA. Federal grants for the Sacramento Regional Transit District and California Department of Transportation were officially decertified in September of 2013.

In response, the California Legislature passed and the Governor signed AB 1222 (Bloom and Dickinson) [Chapter 527, Statutes of 2013] to ensure that \$1.6 billion in federal grants continue to flow to transit districts while litigation is pursued to defend California's bipartisan pension reforms. AB 1222 (Bloom and Dickinson) provided a temporary exemption for public transit workers from PEPRA through December 31, 2014, while a lawsuit, filed by the State of California and Sacramento Regional Transit District against the USDOL, was resolved in court. In 2014, the Association sponsored AB 1783 (Jones-Sawyer) [Chapter 724, Statutes of 2014], which extends the exemption originally provided by AB 1222 (Bloom and Dickinson) until January 1, 2016, allowing additional time for the outcome of the lawsuit.

In December 2014, a federal court judge ruled favorably on behalf of the state and Sacramento RTD; however, the USDOL has not conformed their grant certification process to this ruling. A new round of litigation has been initiated.

In 2016, Santa Clara Valley Transportation Authority sponsored AB 1640 (Stone), which would have clarified that employees hired between January 1, 2013 and December 30, 2014 were exempt from PEPRA and entitled to the benefits afforded to employees hired prior to the enactment of PEPRA.

The Association will closely monitor state and federal actions regarding the PEPRA/13(c) issue and continue to remain actively involved with all levels of government on this issue to mitigate any negative impacts to transit systems or support efforts which advantage transit systems. The Association will also support Association members in their efforts to clarify PEPRA as it applies to employees covered under Section 13(c) of the Federal Transit Act.

F. Uphold the Association's commitment to explore and support an appropriate solution addressing Caltrans concerns related to the operation of certain buses on bridges, as enacted in AB 1250 (Bloom) [Chapter 484, Statutes of 2015].

G. Support efforts to implement the FAST Act in California with the best outcome for transit.

In December 2015, President Obama signed H.R. 22, the Fixing America's Surface Transportation (FAST) Act, into law. This long-awaited successor to the Moving Ahead for Progress in the 21st Century Act (MAP-21) authorizes surface transportation programs at \$305 billion over 5 years. Overall, the FAST Act increases annual spending authority for transit programs from its current level of \$8.6 billion to \$9.35 billion in FY 2016 and up to \$10.15 billion in FY 2020, an increase of 18% over the life of the bill. As a result, California public transit agencies will receive \$1.32 billion in 2016, growing to over \$1.43 billion in 2020. Beginning in 2016, the Association has participated in state-led efforts to identify implementation concerns regarding the FAST Act and to suggest proposals for implementation.

The Association will continue to participate in state legislative and regulatory efforts to ensure appropriate implementation of the FAST Act at the state level.

H. The Association will work with legislative leadership, the Governor and other groups to advocate that any reforms to the CEQA process advantage public transit projects, including bicycle, pedestrian, and TOD projects and monitor closely the implementation of SB 743 (Steinberg) [Chapter 386, Statutes of 2013].

I. The Association will support the state's rail modernization efforts including continued development of the high-speed rail project in its efforts to help the state achieve a successful multi-modal transportation system for the future.

The current transportation system in California is inadequate, and sometimes incapable of handling the present demands placed on it. This burden will surely increase as California is expected to add an additional 20 million people by 2030. To address these projected needs, the California Transit Association supports the existence of a seamless, multi-modal transportation network in order to more efficiently move people and goods from one location to another.

The California high-speed rail project is an opportunity to address some of the State's projected transportation needs by linking the Northern and Southern portions of the state with a system that includes trains traveling in excess of 200 miles-per-hour and capable of reaching Los Angeles from the Bay Area in less than 3 hours.

In 2008, voters approved Proposition 1A, which authorizes the sale of \$9 billion in infrastructure bonds to help fund the project's initial phase. The measure also authorized an additional \$950 million bond sale to fund improvements to existing public transportation systems and facilitate local and regional systems' connectivity to the high-speed rail project.

The Association supports the development of such a system in order to promote greater access and mobility, as well as to enhance the integration of all modes of travel in the state. However, our support for the implementation of such a system is predicated on the following factors:

1. Membership of the High-Speed Rail Authority should continue to have geographic representation from the identified corridors under study throughout the state and have consensus approval by the Legislature and the Governor.
2. The High-Speed Rail Authority should continue to be receptive to working with public transit to better define the needs and services required to accommodate California's growing population. As the High Speed Rail Authority begins to implement the project, it should be aware of the regional and local transportation plans adopted by local entities and should maintain a focus on how the High Speed Rail system will interact with and help facilitate those plans.
3. Coordination between High Speed Rail and local transit agencies will be necessary to provide timely and efficient service to those people that would be transferring between the two modes of travel. Therefore, the Authority should work with local agencies to identify funding in addition to the connectivity funding included in Proposition 1A, to help advance this coordination and associated local service and infrastructure improvements.
4. Funding sources for High-Speed Rail should be distinct from current funding sources for transit. Revenue allocated to fund the implementation or operation of High Speed Rail should not reduce, adversely impact or rely upon the current funding streams for transit.
5. The opportunity to address future funding needs of transit must also be preserved. In light of the projected \$68 billion required to complete High-Speed Rail construction as well as the potential funds needed for future operations, maintenance and rehabilitation, transit should be assured that the project will not preclude transit's ability to access additional future revenues, including cap and trade funding identified by the Association to support transit capital and operating needs. Implementation and funding for the project should also be coordinated to avoid adverse impacts on the timely sale and allocation of infrastructure bonds that support local and regional public transit needs.
6. The California High-Speed Rail Authority should continue to aggressively seek federal and private-sector funding, and should prioritize the use of these funds to maximize state funding opportunities for local public transit systems.

OBJECTIVE 4: Public and private partnerships are used to successfully influence favorable policy outcomes.

The Association will work to build new, mutually beneficial relationships between the Association, its members, and public & private partners, as well as enhance existing relationships that have helped support the Association's goals in the past.

OBJECTIVE 5: Enhanced public awareness of transit and its daily positive impact on the lives of all Californians.

The Association will work to provide available polling data and other information that indicates increased public support for transit compared to decision-makers and partner organizations and work to increase the number of *iTransit* program followers & engage them on important policy issues.